

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

**IN THE MATTER OF THE APPLICATION)
DELMARVA POWER & LIGHT COMPANY)
FOR APPROVAL OF MODIFICATION TO) PSC DOCKET NO. 16-0889
ITS GAS COST RATES)
(FILED AUGUST 26, 2016))**

**DIRECT TESTIMONY OF

MALIKA DAVIS

ON BEHALF OF COMMISSION STAFF**

JANUARY 20, 2017

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1 I. Introduction and Purpose of Testimony

2 **Q. Please state your name, business address, and current occupation.**

3 A. My name is Malika Davis. My business address is 861 Silver Lake Boulevard, Suite 100,
4 Dover, Delaware 19904. I am a Public Utility Analyst III for the Delaware Public Service
5 Commission ("PSC" or "Commission"). I have been employed as a Public Utility Analyst since
6 joining the Commission in March 2010.

7
8 **Q. What are your job responsibilities as a public utility analyst?**

9 A. I am responsible for the certification of Delaware electric suppliers, the monitoring of
10 Delmarva Power & Light's ("Delmarva" or the "Company") quarterly reports related to
11 customer service and operational issues, and the monitoring of Delmarva's quarterly rate of
12 return reports. I also monitor Delmarva's monthly reports for the gas cost rate recovery
13 schedules and quarterly hedging reports. I am part of the team that works with the Company
14 regarding issues related to customer education initiatives involving advanced metering
15 infrastructure and dynamic pricing. I have also served as the case manager in Delmarva's most
16 recent Environmental Surcharge Rider cases. Additionally, I served as the case manager for
17 Delmarva's most recent natural gas base rate case. I have also served as a case manager or
18 member of the rate case team for cases involving Commission regulated water companies.

19
20 **Q. What is your professional experience and educational background?**

21 A. I have a Bachelor of Science in Marketing and Business Administration and a Master of
22 Business Administration from Delaware State University. Prior to my employment with the PSC,
23 I was employed as a Management Analyst I with the Delaware Division of Motor Vehicles

1 (DMV). My duties included monitoring the Commercial Driver Licensing Program for
2 compliance with State and Federal laws and regulations, training driver license examiners,
3 issuance staff, and driver improvement staff, interacting with other State and Federal agencies,
4 representing the DMV at administrative hearings, applying for Federal grants and maintaining
5 compliance with Federal requirements for grant reporting. Before accepting the position with the
6 DMV, I was employed as a Labor Market Analyst with the Delaware Department of Labor in the
7 Office of Occupational Labor Market Information, where I was assigned to work on the
8 Occupational Employment Statistics program. I was also previously employed at Delaware State
9 University where I held several positions including Records Office Assistant/Secretary, Acting
10 Lead Student Services Generalist, Adjunct Instructor, and Career and Academic Advisor for the
11 College of Business.

12
13 **Q. What is the purpose of your testimony?**

14 A. I was assigned to review Delmarva's Application for a Change in Its Annual Gas Cost
15 Rates (the "Application") to ensure that the proposed rates are just and reasonable, and that they
16 comply with Delmarva's gas service tariff. In my testimony I have included a recommendation
17 to the Commission with regard to the treatment of this Application.

18
19 II. Summary of Conclusions

20 **Q. Please summarize your conclusions and recommendations.**

21 A. After reviewing the Application and responses to data requests I have formed the
22 following conclusions and recommendations:

- The Gas Cost Rates (“GCR”) requested in the Application for November 1, 2016, through October 31, 2017, and approved by the Commission on a provisional basis in Order No. 8942, should be approved as final. These rates will be subject to a true-up in Delmarva’s next GCR proceeding based on actual gas procurement costs and revenue during this period.
- The requested tariff changes should be approved.
- The Company is complying with the settlement agreement in Docket 15-1355.
- The Company should continue with its actions to mitigate increases in fixed costs with regard to pipeline charges, storage services and peaking sources.

III. Background of the Application

A. Summary and Review of the Application

Q. Please summarize the Application.

A. The GCR is the rate that the Company charges its customers to recover its natural gas costs for the twelve month period from November 1st through October 31st of each year, also known as the Gas Cost Year (“GCY”). The Company’s gas service tariff requires an annual estimated GCR filing to be made by August 31st of each year. The gas service tariff also contains a provision for reconciling over- or under-recoveries from a preceding year. The GCR recovers the Company’s total purchased gas costs. Components of the purchased gas costs include commodity purchases, transportation, demand, storage, capacity charges, and hedging costs. Any refunds received from the Company’s suppliers are credited against the GCR.

1 The Application shows a projected under-recovery balance of \$1,435,982 for the period
2 ending October 31, 2016. The rates effective November 1, 2016, are based on projected sales
3 data and gas costs for the twelve-month period November 1, 2016, through October 31, 2017.
4

5 **Q. What changes to the current GCR is the Company proposing?**

6 A. On August 26, 2016, Delmarva filed an Application to revise the GCR demand charge
7 applicable to Service Classifications Electing Medium Volume Gas Service (“MVG”) and Large
8 Volume Gas Service (“LVG”), to revise the volumetrically applied GCR factors applicable to
9 Service Classifications Residential Gas Sales Service (“RG”), General Gas Sales Service
10 (“GG”), and Gas Lighting Sales Service (“GL”), effective on November 1, 2016, with proration.
11 Additionally, the Company seeks approval for the proposed Balancing Charge and Pressure
12 Support Fee (“PSF”) for the November 2016 – October 2017 GCR period and approval of
13 changes to the Gas Service Tariff to become effective November 1, 2016.

14 Below is an illustration of the modifications Delmarva is proposing to its GCR:
15

Rate Schedules	Current	Proposed	Change from Current
RG, GG, GL, and MVG	39.467¢/ccf	44.995¢/ccf	5.528¢/ccf
LVG and Electing MVG Demand	\$1.7022	\$1.7148/Mcf	\$.0126/Mcf
LVG and Electing MVG Commodity	Varies Monthly	Varies Monthly	N/A

16
17
18 **Q. How would the proposed changes to the GCR impact Delmarva’s residential**
19 **customers?**

20 A. The effect on a residential space heating customer using 120 ccf in a winter month would
21 be an increase of \$6.63, or 5.8%, in the customer’s total bill. I have attached a bill calculation
22 (Attachment MD-1) showing the percentage of the total bill associated with the GCR change.

1
2 **Q. Please explain the impact of the proposed GCR changes for all other customers.**

3 A. Customers served on Service Classification GG would experience an increase on their
4 bills ranging between 2.5% and 7.6%, while customers served on Service Classification MVG
5 would experience an increase on their bills ranging between 6.8% and 10.4%, depending upon
6 their load and usage characteristics.

7
8 **Q. Please explain your review of the Application.**

9 A. I reviewed the Company's Application, including testimonies and exhibits; prior GCR
10 dockets, orders, and documents regarding follow-up issues; and the 2015-2016 quarterly hedge
11 reports. I also reviewed the natural gas demand supply plan for this Application and the strategic
12 gas supply plan for the period 2016/2017 through 2021/2022.

13 In addition to information obtained through discovery, I have participated in meetings
14 with various Company personnel involved with the GCR. I also performed monthly audits of
15 Delmarva's GCR sales, revenues, and costs.

16
17 **Q. Were you assisted in your review of this filing?**

18 A. Yes. Mr. Jerry Mierzwa, Vice-President of Exeter Associates, Inc., was retained by the
19 Commission to assist Staff and the Division of the Public Advocate ("DPA") in reviewing the
20 GCR filing, the Company's Supply Plan, and evaluating the Company's procurement activities
21 against established regulatory standards. Mr. Mierzwa's review focused on gas procurement
22 practices and policies.

1 **B. Assessment of the Application**

2
3 **Q. What actions did you take in preparing for this filing?**

4 A. Prior to the Company filing this Application, I was involved in auditing the Company's
5 gas costs. Each month the Company submits regulatory reports to the Commission. I review the
6 report entitled "Comparison of Gas Expense and Recovery" each month. This report provides
7 totals for firm sales, total GCR revenue, total gas cost, the Company's monthly over- or under-
8 recovery, the deferred fuel balance (year-to-date), and the percentage over- or under-recovery.
9 The Company also supplies reports addressing the development of annual commodity and
10 demand expenses, summarizing the sales and gas cost rate revenues for the various service
11 classifications, and summarizing all pipeline purchases, storage injections and withdraws, and
12 hedge program financial settlements.

13 Each month the Company submits back-up to these reports consisting of:

- 14 • Gas Procurement Reports
- 15 • Firm Gas Purchases
- 16 • Gas Cost Revenues
- 17 • GCR Active Billed Accounts and Accruals
- 18 • MVG Gas Customers Sales and Revenues
- 19 • Changes of MVG and LVG Contract MDQs in MCF
- 20 • General Ledger Account Balances
- 21 • Company Use Gas
- 22 • Calculations of Weighted Average Cost Of Gas, Flexibly Priced Gas, and Commodity
- 23 Cost Rates

- Spreadsheets detailing line item charges to firm and non-firm transportation customers.

C. 2015/2016 Gas Cost Rate Proceeding

Q. Please summarize the provisions of the settlement agreement reached in the previous year's GCR, Docket No. 15-1355, and your understanding of the Company's compliance with those provisions.

A. The Commission entered Order No. 8869 on April 5, 2016, approving the settlement agreement that arose out of last year's GCR. There were eight provisions of the settlement agreement. Below is a brief summary of each provision and the Company's compliance with each issue.

1. GCR Rates:

The parties agreed that Delmarva would implement the rates proposed in the filing. Staff's review of the Company's gas service tariff leaves show that it has complied with this provision.

2. Natural Gas Hedging Program:

The parties agreed that Delmarva would continue to execute its Gas Hedging Program in accordance with the settlement approved in Docket No. 08-266F and further continue to hold quarterly hedge meetings to discuss and review the program. Staff, DPA, and the Company have continued to have quarterly meetings to discuss the hedging reports that the Company submits.

3. Lost and Unaccounted for ("LAUF") Gas:

The Company credited last year's GCR as required by PSC Order No. 8767 issued in PSC Docket No. 14-0295F, thus resolving the matter.

1 4. Improving the GCR Process:

2 Pursuant to the settlement agreement in Docket No. 14-0295F, the Parties developed a
3 streamlined process for GCR filings which was implemented in docket 15-1355 and continued in
4 the current GCR filing.

5 5. Demand Cost Allocation:

6 Pursuant to the settlement agreement in Docket No. 14-0295F, the
7 Company eliminated the separate allocation of demand costs to RG, GG, and MVG customers in
8 Docket No. 15-1355 and the current GCR filing.

9 6. Protecting GCR Customers from Stranded Costs in the Event of Migration from Sales
10 to Transportation Service:

11 The Company agreed to address whether additional or modified measures are required to
12 protect GCR customers from stranded costs associated with customer migration from sales to
13 transportation service, including consideration of a Staff/DPA recommendation for modification
14 of Section U of the Company's Gas Service Tariff pertaining to transition charges. Witness
15 Brielmaier states that “the Company has reviewed the issue and determined that such additional
16 or modified measures are not required at this time”. Further, he states that the Company’s one
17 LVG customer and fourteen (14) MVG customers are unlikely to switch to transportation service
18 due to their load profiles. Mr. Brielmaier goes on to state that the Company does not foresee
19 significant risk of stranded capacity from GG customers due in part to the higher Balancing
20 Charges and the new PSF. Staff agrees with Delmarva as explained in Mr. Mierzwa’s testimony.

21 7. Capacity Reserve Margin:

22 In order to determine whether there is sufficient natural gas supply and transmission
23 capability to permit a non-core or transportation service customer to return to sales service, the

1 Company was to wait until the Commission issues a final Order on this year's Application. Mr.
2 Mierzwa further addresses this provision in his testimony.

3 8. Additional Upstream Pipeline Capacity:

4 Until such time as the Commission issues an Order rendering its findings on the
5 Company's 2016-17 GCR Application, the Company was not to contract for additional upstream
6 pipeline capacity or participate in a binding open season for such long-term capacity unless Staff
7 and the DPA agreed that the acquisition of additional capacity is reasonable. Mr. Brielmaier
8 states in his testimony that no upstream capacity changes are planned at this time. Mr. Mierzwa
9 further addresses this provision in his testimony.

10
11 **D. 2013/2014 Gas Cost Rate Proceeding**

12 **Q. Please summarize the outstanding issue from Docket No. 13-349F, and the**
13 **Company's compliance regarding that issue.**

14 A. The Company was to submit a regulatory filing to the Commission in which the
15 Company would propose changes to the balancing fees associated with its GCR.

16 The Company made the filing on February 3, 2015 (Docket No. 15-0671) to propose
17 changes to the methodology for calculating the balancing fees associated with the GCR. The
18 Commission entered Order No. 8862 on April 19, 2016. Order 8862 approved the
19 implementation of the change in methodology for the calculation of the Balancing Charge and
20 PSF beginning with the 2016-2017 Application. The Application includes a Balancing Charge of
21 \$0.05897/ccf or \$0.5897/Mcf redelivered and a PSF of \$0.01944/ccf or \$0.1944/Mcf redelivered
22 for transportation customers.

E. Forecasted Gas Sales and Supply Costs

Q. Please summarize the projected sales forecast for the November 2016 – October 2017 GCR.

A. The Company used the same methodology it used in Docket No. 15-1355 to forecast its sales for the current GCR. The forecasts for Residential, Residential Space Heat, and General Gas customers are projected using a multi-variant econometric model. The larger rate classes' forecasts are determined on a customer-by-customer basis using sales patterns, production and maintenance schedule changes, and load additions or deletions. Normal weather is defined as the 30-year average of monthly Heating Degree Days on a 65 degree Fahrenheit base ("HDD"), which is consistent with Commission Order No. 6327 in Docket No. 03-137.

Delmarva projects the firm throughput volume for November 2016 through October 2017 to decrease from the prior GCY. Firm sales and firm transportation are expected to decrease by 3.7% and 4.8%, respectively, as shown below.

	2015-2016 forecast	2016-2017 forecast	Change	% Change
Firm Bundled Sales	12,837,624 Mcf	12,380,396 Mcf	(457,228) Mcf	-3.7%
Firm Transportation	6,298,077 Mcf	5,872,291 Mcf	(425,786) Mcf	-7.3%
Firm Throughput	19,135,701 Mcf	18,252,687 Mcf	(883,014) Mcf	-4.8%

Q. Was there any difference in the data source used to obtain normal weather in this year's GCR?

A. No. The HDD history is based on NOAA weather data collected at the "Wilmington" site located at the New Castle County Airport, New Castle, Delaware. This is consistent with Order No. 6327 in Docket No. 03-137, which directed the Company to use NOAA data once it became available to Delmarva's Gas Delivery division. The Company began using NOAA data in the 10-295F GCR case.

1
2 **Q. What percentage loss factor did the Company use in this Application to account for**
3 **gas that is lost and unaccounted for?**

4 A. The Company used a 2.4% loss factor. This is slightly lower than the 2.5% loss factor
5 that was used in the Company's previous application. The Company derived the loss factor based
6 on calculations of lost and unaccounted for gas for 12-month and 24-month periods ending June
7 30, 2016.

8
9 **Q. Please discuss how the forecasted spot purchase costs were developed.**

10 A. The Company used the NYMEX gas futures closing prices on August 5, 2016, as its spot
11 (wholesale) gas price. The Company believes that using a different methodology is not likely to
12 provide a more accurate GCR forecast. This methodology is in compliance with Delaware PSC
13 Order No. 6956 from Docket No. 05-312F, which states that:

14 (a) Delmarva will use the NYMEX natural gas futures as the primary
15 tool in establishing its proposed gas cost rate each year;

16 (b) Delmarva will use the NYMEX gas futures prices based upon a
17 single day's close or an average of two or more days of closing
18 prices selected from actual gas futures closing prices observed
19 between July 20 and August 20 each year;

20 (c) Delmarva will use a consistent gas futures forecasting
21 methodology from year-to-year unless, in its good faith business
22 judgment, the Company believes that market indicators suggest

1 that a different methodology is likely to provide a more accurate
2 gas cost rate forecast.
3

4 **Q. Please summarize the projected natural gas commodity costs for the November**
5 **2016– October 2017 GCR.**

6 A. Storage withdrawals are estimated to make up 25% of the commodity requirements, with
7 an estimated cost of \$3.39 per Mcf. Hedged purchases are estimated to make up 20% of
8 commodity requirements, with an estimated cost of \$3.10 per Mcf. Spot purchases are estimated
9 to make up 57% of commodity requirements with an estimated cost of \$3.31 Mcf. The Company
10 is currently estimating commodity costs of \$32,992,970 for the current GCR period.
11

12 **Q. Please summarize the Company’s projected fixed costs for the November 2016 -**
13 **October 2017 GCR.**

14 A. The Company is projecting fixed gas costs totaling \$27,209,899 for the 2016-2017 GCR
15 period. This estimate includes costs related to pipeline capacity and supply, costs for storage and
16 seasonal services, and costs for supplemental/peaking sources. The projected fixed costs are
17 \$712,992 or 2.6% lower than in the previous year’s GCR projection. According to witness
18 Jacoby’s testimony, termination of the Trunkline and Panhandle contract and completion of the
19 ESNG E3 Surcharge attributed to the decrease in fixed costs.
20

21 **Q. How do these costs relate to the fixed costs in the previous year’s GCR**
22 **periods?**

1 A. Attachments MD-2 through MD-4 depicts the changes in fixed costs over the past three
2 years.

- 3 • In comparing the projected costs for the GCR period November 2013-October 2014 to
4 the projected costs for November 2014-October 2015, the transportation and storage
5 contracts were projected to decrease by \$1,626,559 or 5.52% (Attachment MD-2)
- 6 • In comparing the projected costs for the GCR period November 2014-October 2015 to
7 the projected costs for November 2015-October 2016, the transportation and storage
8 contracts were projected to increase by \$90,635 or 0.33% (Attachment MD-3)
- 9 • In comparing the projected costs for the GCR period November 2015-October 2016 to
10 the projected costs for November 2016-October 2017, the transportation and storage
11 contracts are projected to decrease by \$712,993 or 2.55% (Attachment MD-4)

12
13 **Q. Do you have any recommendations regarding the fixed costs?**

14 A. Yes. The Company should continue to take steps to mitigate increases in fixed costs
15 when managing its pipeline capacity and storage portfolio.

16
17 **Q. Is the Company proposing a change the Transportation Balancing Charge?**

18 A. Yes. The Company is proposing to increase the Transportation Balancing Charge from
19 \$0.3310 per Mcf to \$0.5897 per Mcf.

20
21 **Q. Is the Company proposing a change in the methodology for calculation the 2016-**
22 **2017 GCR?**

23 A. No.

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F. Capacity Release and Off-System Sales

Q. What is the Company’s forecasted off-system sales and capacity release revenues?

A. The Company forecasts that it will receive \$3,218,060 in gross margins from off-system sales and capacity release transactions.

Q. Is the Company complying with the margin sharing parameters in accordance with PSC Order No. 7658?

A. It appears that it is. The Application included a schedule detailing actual and estimated off-system sales and capacity release revenues from November 2016 through October 2017. The Company provided additional information related to off-system sales and capacity release in response to data requests.

IV. Gas Cost Rate Recommendations

Q. Do you agree with the Company’s request to modify its GCR factors?

A. Yes, the request appears reasonable. I recommend that the Commission approve the rates that were previously authorized on a temporary basis, subject to refund, for the 2016-2017 GCR period. The GCR true-up process will provide reconciliation between currently-projected gas costs and actual gas costs.

Q. Does this conclude your testimony?

1 A. Yes.

APPENDIX

Calculations based on residential customer using 120 ccf per winter month

Current		Proposed	
Customer Charge	\$ 11.85	Customer Charge	\$ 11.85
Commodity Charge*- 1st 50 ccf @.52212	\$ 26.11	Commodity Charge- 1st 50 ccf @.52212	\$ 26.11
Commodity Charge-over 50 ccf@.41896	\$ 29.33	Commodity Charge-over 50 ccf@.41896	\$ 29.33
Total Base Rate	<u>\$ 67.28</u>	Total Base Rate	<u>\$ 67.28</u>
ESR**	\$ 0.1536	ESR**	\$ 0.1536
GCR @\$.39467/ccf	\$ 47.36	GCR@\$.44995/ccf	\$ 53.99
TOTAL	<u>\$ 114.80</u>	TOTAL	<u>\$ 121.43</u>
Overall \$ increase			\$ 6.63
Overall % increase			5.8%
\$ increase due to GCR			\$ 6.63
% increase due to GCR			14.0%

* Commodity Charges based on interim rates in PSC Docket No. 16-0650

** Based on PSC Docket 15-1333

Attachment MD-2

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

Pipeline Capacity & Supply	2014-2015 Total Costs	2013-2014 Total Costs	Year-to-year Change	Percentage Change
TRANSCO FT	\$9,846,038	\$ 11,132,445	\$ (1,286,407)	-11.56%
COLUMBIA FTS	\$1,960,128	\$ 1,850,304	\$ 109,824	5.94%
TRANSCO SENTINEL FT	\$5,025,415	\$ 5,024,320	\$ 1,095	0.02%
TETCO, TRUNK & PEPL	\$1,795,423	\$ 1,804,652	\$ (9,229)	-0.51%
TRANSCO LEIDY-LINE FT	\$238,290	\$ 268,568	\$ (30,278)	-11.27%
GULF FTS-1 & FTS-2	\$1,161,586	\$ 1,161,586	\$ -	0.00%
EASTERN SHORE FT365	\$3,906,660	\$ 3,906,660	\$ -	0.00%
EASTERN SHORE T-1	\$66,432	\$ 66,432	\$ -	0.00%
EASTERN SHORE E-3 SURCHARGE	\$288,053	\$ 288,053	\$ -	0.00%
TRANSCO SENTINEL METER UPGRADE	\$468,846	\$ 502,700	\$ (33,854)	-6.73%
SUBTOTAL	\$ 24,756,871	\$ 26,005,720	\$ (1,248,849)	-4.80%
Storage & Seasonal Services				
TRANSCO GSS	\$1,491,398	\$ 1,654,838	\$ (163,440)	-9.88%
COLUMBIA FSS	\$364,044	\$ 364,044	\$ -	0.00%
COLUMBIA SST	\$536,658	\$ 505,722	\$ 30,936	6.12%
TRANSCO PS-3	\$0	\$ 123,176	\$ (123,176)	-100.00%
TRANSCO ESS	\$460,559	\$ 521,621	\$ (61,062)	-11.71%
TRANSCO WSS	\$194,053	\$ 246,632	\$ (52,579)	-21.32%
SUBTOTAL	\$ 3,046,712	\$ 3,416,033	\$ (369,321)	-10.81%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$ -	\$0	
TRANSCO LNG	\$28,673	\$ 37,063	\$ (8,390)	-22.64%
SUBTOTAL	\$28,673	\$ 37,063	\$ (8,390)	-22.64%
TOTAL	\$ 27,832,256	\$ 29,458,816	\$ (1,626,560)	-5.52%

Source- Schedule JBJ-2 Docket No. 14-0295F

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

	2016-2016 Total Costs (Projected)	2014-2015 Total Costs (Projected)	Year-to-year Change	Percentage Change
Pipeline Capacity & Supply				
TRANSCO FT	\$9,916,615	\$9,846,038	\$70,577	0.72%
COLUMBIA FTS	\$1,980,504	\$1,960,128	\$20,376	1.04%
TRANSCO SENTINEL FT	\$5,042,203	\$5,025,415	\$16,788	0.33%
TETCO, TRUNK & PEPL	\$1,829,813	\$1,795,423	\$34,390	1.92%
TRANSCO LEIDY-LINE FT	\$239,551	\$238,290	\$1,261	0.53%
GULF FTS-1 & FTS-2	\$1,161,598	\$1,161,586	\$12	0.00%
EASTERN SHORE FT365	\$4,031,520	\$3,906,660	\$124,860	3.20%
EASTERN SHORE T-1	\$66,456	\$66,432	\$24	0.04%
EASTERN SHORE E-3 SURCHARGE	\$96,018	\$288,053	(\$192,035)	-66.67%
TRANSCO SENTINEL METER UPGRADE	\$470,131	\$468,846	\$1,285	0.27%
SUBTOTAL	\$ 24,834,409	\$ 24,756,871	\$77,538	0.31%
Storage & Seasonal Services				
TRANSCO GSS	\$1,498,488	\$1,491,398	\$7,090	0.48%
COLUMBIA FSS	\$362,448	\$364,044	(\$1,596)	-0.44%
COLUMBIA SST	\$542,394	\$536,658	\$5,736	1.07%
TRANSCO ESS	\$461,809	\$460,559	\$1,250	0.27%
TRANSCO WSS	\$194,585	\$194,053	\$532	0.27%
SUBTOTAL	\$ 3,059,724	\$ 3,046,712	\$13,012	0.43%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$0	\$0	
TRANSCO LNG	\$28,759	\$28,673	\$86	0.30%
SUBTOTAL	\$28,759	\$28,673	\$86	0.30%
TOTAL	\$ 27,922,892	\$ 27,832,256	\$90,636	0.33%

Source- Schedule JBJ-2 Docket No. 1355

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

	2015-2016 Total Costs (Projected)	2015-2016 Total Costs (Projected)	Year-to-year Change	Percentage Change
Pipeline Capacity & Supply				
TRANSCO FT	\$9,844,011	\$9,916,615	(\$72,604)	-0.73%
COLUMBIA FTS	\$1,999,572	\$1,980,504	\$19,068	0.96%
TRANSCO SENTINEL FT	\$5,025,780	\$5,042,203	(\$16,423)	-0.33%
TETCO, TRUNK & PEPL	\$1,254,541	\$1,829,813	(\$575,272)	-31.44%
TRANSCO LEIDY-LINE FT	\$238,369	\$239,551	(\$1,182)	-0.49%
GULF FTS-1 & FTS-2	\$1,161,598	\$1,161,598	\$0	0.00%
EASTERN SHORE FT365	\$4,031,520	\$4,031,520	\$0	0.00%
EASTERN SHORE T-1	\$66,456	\$66,456	\$0	0.00%
EASTERN SHORE E-3 SURCHARGE	\$0	\$96,018	(\$96,018)	-100.00%
TRANSCO SENTINEL METER UPGRADE	\$468,846	\$470,131	(\$1,285)	-0.27%
SUBTOTAL	\$ 24,090,693	\$ 24,834,409	(\$743,716)	-2.99%
Storage & Seasonal Services				
TRANSCO GSS	\$1,493,001	\$1,498,488	(\$5,487)	-0.37%
COLUMBIA FSS	\$362,448	\$362,448	\$0	0.00%
COLUMBIA SST	\$547,758	\$542,394	\$5,364	0.99%
TRANSCO ESS	\$460,547	\$461,809	(\$1,262)	-0.27%
TRANSCO WSS	\$226,772	\$194,585	\$32,187	16.54%
SUBTOTAL	\$ 3,090,526	\$ 3,059,724	\$30,802	1.01%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$0	\$0	
TRANSCO LNG	\$28,680	\$28,759	(\$79)	-0.27%
SUBTOTAL	\$28,680	\$28,759	(\$79)	-0.27%
TOTAL	\$ 27,209,899	\$ 27,922,892	(\$712,993)	-2.55%

Source- Schedule JBJ-2 Docket No. 16-0889